

OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING
STATE OF MONTANA




STEVE BULLOCK
GOVERNOR

PO Box 200802
HELENA, MONTANA 59620-0802

TO: Amy Carlson, Legislative Fiscal Analysts
Legislative Fiscal Division

LEGISLATIVE
FISCAL ANALYST

FROM: Dan Villa, Budget Director 
Office of Budget and Program Planning

RECEIVED
DEC 15 2016

DATE: December 15, 2016

RE: Amendments to Governor Bullock's 2019 Biennium Executive Budget

In accordance with 17-7-112, MCA, I am submitting the following formal written amendments to my November 15 preliminary 2019 biennium Executive Budget. The changes are technical in nature and do not represent substantive changes to the budget. Changes are reflected in the H02 version in IBARS.

Department of Administration:

- The department's Architecture and Engineering program's fixed costs for State Information Technology Services Division's expenses are adjusted by \$102,596 for FY 2018 and \$102,595 for FY 2019. The department's Public Safety Services Bureau is adjusted by \$102,596 for FY 2018 and \$102,595 for FY 2019.
- The department's SITSD FirstNet grant is adjusted to move \$105,000 from FY 2018 to FY 2019 for operating costs omitted in the original budget submittal.
- The Montana Tax Appeal Board PL 555 Appropriation Rebase has been adjusted. The total rebase is revised from \$31,329 to \$19,184 in FY 2018 and from \$31,329 to \$14,000 in FY 2019.

Judicial Branch:

- The Clerk of Court PL 555 Appropriation Rebase has been adjusted. This change results in additional general fund of \$26,768 in FY 2018 and \$26,398 in FY 2019 in operating expenses and \$6,323 in FY 2018 and \$4,842 in FY 2019 in personal services for the Judicial Branch.

Department of Labor and Industry:

- The WSD Workforce Development Partnership change package (CP 1002) has been adjusted to make the request \$111,744 state special revenue in FY 2019 only.

Department of Public Health and Human Services:

- There is a revenue adjustment for fund 02790, increasing authority by \$900,420 each year of the biennium to match anticipated revenue collections.
- A new proposal was added for clarity purposes requesting \$120,000 general fund each year of the biennium to offer respite services and support caregivers throughout the state.

Office of Commissioner of Higher Education:

- A change package has been added for \$564,563 general fund in FY 2018 and \$724,270 general fund in FY 2019 to provide support for the WICHE/WWAMI/MN dental program.
- A change package has been added for \$938,688 per year increasing general fund support for operation and maintenance for buildings at the Montana University System.

Department of Military Affairs:

- Funding splits for the statewide present law adjustment for the Montana Air National Guard Program have been adjusted to properly reflect federal match rates.

Department of Commerce:

- The appropriation for Native Language preservation has been increased by \$200,000 general fund for the biennium.

HB 2 Companion Bill:

- An additional transfer of \$600,000 from the banking division fund to the state general fund has been added to the HB 2 companion bill (LC 907).

IBARS has been updated as needed to reflect these changes in the H02 version. A revised general fund balance sheet has been included. If you have any questions, please feel free to contact me or my staff.

**State of Montana Proposed FY 2017 and 2019 Biennium General Fund Balance Sheet (Millions \$)
December 15**

<u>Description</u>	<u>Actual</u>	<u>Proposed</u>	<u>Proposed</u>	
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
<u>Beginning Fund Balance</u>	455.109	255.110	123.060	162.898
Revenue Estimate*	2,121.288	2,194.337	2,301.710	2,452.939
<u>Proposed Transfer-In Legislation</u>				
Transfers-In - OTO*		27.985	25.983	25.981
Transfers-In - Ongoing			1.425	1.419
<u>Proposed Revenue Legislation and Other Revenue</u>				
Revenue - Ongoing		3.381	61.445	50.603
Revenue - OTO		0.459		
Prior Year Revenue Adjustments	(3.667)			
Total Funds Available	2,572.730	2,481.272	2,513.623	2,693.839
<u>HB 2 Disbursements</u>				
HB 2 + SWPL Ongoing*	1,973.151	2,034.229	1,976.604	1,977.059
HB 2 Present Law - Ongoing*			86.462	108.550
HB 2 Present Law - OTO			0.008	0.072
HB 2 New Proposals - Ongoing*			(49.196)	(50.799)
HB 2 New Proposals - OTO*			4.543	4.044
Executive Reduction, Reversion and Recision Authority		(29.000)		
<u>Proposed Legislation and Non-HB 2 Initiatives</u>				
HB 1 - Feed Bill	1.917	11.327	1.975	11.667
HB 3*		20.006		
HB 13 - Pay Plan			3.816	7.154
Infrastructure*			4.382	10.040
Other Legislation - Ongoing		2.575	2.759	2.749
<u>Other Disbursements</u>				
Statutory Appropriations - Present Law - Ongoing	265.169	290.646	309.893	318.518
Statutory Appropriations - New Proposal - Ongoing			(2.999)	(6.846)
Transfers - Present Law - Ongoing	18.427	18.321	18.330	17.600
Transfers - Present Law - OTO	11.300			
Transfers - New Proposal - Ongoing			2.075	2.075
Fire Fund Transfer (HB 354)	50.310	11.422		
Other Appropriations	4.457	7.918		
Reversions*		(9.233)	(7.925)	(8.094)
Prior Year Expenditure Adjustments	(6.669)			
Total Disbursements	2,318.062	2,358.211	2,350.725	2,393.789
Fund Balance Adjustments	0.441			
Ending Fund Balance	255.110	123.060	162.898	300.050
YOY Expenditure Growth	6.79%	1.73%	-0.32%	1.83%
YOY Revenue Growth	-3.56%	3.44%	4.89%	6.57%
Fund Balance as a % of Total Spend	11.01%	5.22%	6.93%	12.53%
Structural Balance				113.869

*December 15th Adjustment